

AGENDA



Recommendation for Council Action

Austin City Council	Item ID	30263	Agenda Number	19.
---------------------	---------	-------	---------------	-----

Meeting Date:	3/20/2014	Department:	Neighborhood and Community Development
---------------	-----------	-------------	--

Subject

Approve a resolution, under Section 11.9(d)(1), of the State of Texas 2014 Housing Tax Credit Qualified Allocation Plan, stating that the City of Austin supports an application submitted to the Texas Department of Housing and Community Affairs by Wolfpack Group, LLC for a proposed 80-unit mixed-income multi-family development located in the City of Austin Extraterritorial Jurisdiction at Long Vista Drive and Bratton Lane.

Amount and Source of Funding

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required

Purchasing Language:	
Prior Council Action:	
For More Information:	Betsy Spencer, Director, 512-974-3182; David Potter, Program Manager, 512-974-3192
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

If approved, this resolution will be submitted to the Texas Department of Housing and Community Affairs (TDHCA) to indicate the City of Austin’s level of support for the competitive Low Income Housing Tax Credit application # 14226 submitted by the developer, Wolfpack Group, LLC.

For 2014, the scoring category of Local Government Support for projects located in a municipality’s Extraterritorial Jurisdiction (ETJ), require that the developer obtain resolutions, in this case, from both the City of Austin and Travis County. The amount of points an application can receive through resolutions from the City and County is:

- 17 points for supporting an application or development (8.5 points each from the City and the County if both resolutions are in support);
- 15.5 points if one local government supports the application or development and the other has “no objection (8.5 points in support; 7 points for no objection);

- 14 points for “no objection” to an application or development (7 points each from the City and the County if both resolutions state there is no objection);
- 8.5 points if only one unit of local government provides a resolution that supports the application or development;
- 7 points if only one unit of local government provides a resolution and the resolution states that there is “no objection” to the application or development, and the other unit of local government does not provide any type of resolution; and
- 0 points if neither of the local units of government provides any type of resolution.

Because this development is located in (ETJ), it is not eligible to receive City of Austin funding. However, staff has requested and reviewed information submitted by the developer about the proposed development and recommends a **resolution of support** for the tax credit application.

Art at Bratton’s Edge

- 80 new mixed-income rental units
- 1, 2, and 3-bedroom units ranging from 700 square feet to 1,050 square feet
- 36 units will be affordable to households with incomes at or below 60% of the Median Family Income (MFI) for the Austin-Round Rock-San Marcos, TX Metropolitan Statistical Area (currently, \$43,920 for a 4-person household; \$35,160 for a 1-person household).
- 28 units will be affordable to households with incomes at or below 50% MFI (currently, \$36,600 for a 4-person household; \$25,650 for a 1-person household).
- 8 units will be affordable to households with incomes at or below 30% MFI (currently, \$21,950 for a 4-person household; \$15,400 for a 1-person household).
- 8 units will have no income restrictions.
- Amenities might include a fully-furnished clubhouse with a media room, fitness center, cyber lounge, and a children’s play area.
- Estimated Financing Sources:

Conventional Mortgage	\$ 2,300,000
Low Income Housing Tax Credits	9,551,045
Travis County Housing Finance Corporation	180,000
Deferred Developer Fee	<u>1,444,325</u>
	\$13,475,370

Wolfpack Group, LLC

The company is a special purpose entity, recently created to undertake development activities in Texas. Its principals, as part of the Pinnacle Housing Group, have developed a portfolio of 31 developments with over 6,000 rental units, and per the materials submitted, has ranked in the Top 50 Affordable Housing Developers in the United States, according to Affordable Housing Finance Magazine.